

Environmental

Daily ESG Briefing: Candriam and JP Morgan AM among new signatories to Net Zero Asset Managers initiative

The latest developments in sustainable finance

By **RI journalists** - 1 November 2021



The Net Zero Asset Managers initiative has announced a further 92 members with a total of \$10.8trn AUM have signed up to the initiative, bringing the total assets under its umbrella to \$57.4trn, around 60% of total managed assets. Among the new joiners are JP Morgan Asset Management, Candriam, Nomura Asset Management,

BNP Paribas Asset Management and UK pension pool Border to Coast. New members, which commit to achieving Net Zero across their portfolio by 2050 and halving their emissions by 2030, must disclose interim targets within a year of joining, and regularly review this target until 100% of managed assets are included.

Meanwhile, the initiative said in its first progress report that 43 signatories have shared their first interim targets for the proportion of assets managed in line with achieving net zero by 2050, and set shorter term targets for reducing emissions within their investments. It added signatories have disclosed that a total of 35% of their total assets are "already managed" in line with reaching Net Zero by 2050.

The Voluntary Carbon Markets Integrity Initiative (VCMI) has laid out an action plan to ensure voluntary carbon markets play a credible role in meeting the Paris Agreement and UN Sustainable Development Goals. Moving forward, the VCMI – which was launched in July to develop guidance on how carbon credits can be used, what transparency

requirements are needed, and how to ensure appropriate claims are being made by corporates – will work in collaboration with “global climate action leaders” from governments and civil society and in consultation with businesses demonstrating leadership on climate action.

Financial institutions are increasingly turning to third-party services to fill data gaps, despite an increase of in-house ESG teams, according to **Acuity Knowledge Partners** first ESG survey. Focused on investors and advisors across the US, Europe, and Asia-Pacific, the analysis by the research and technology solutions provider is based on responses from senior decision-makers representing mutual funds, insurance companies, investment banks, private equity firms, commercial banks and pension funds totalling \$12trn in assets under management.

ERAFP, KBC, Aviva, and AXA took the top prizes at this year’s **International Climate Reporting Awards**, organised by the French government and 2° Investing Initiative. At the fourth iteration of the event, which brought together global sustainable finance experts to discuss the role of climate disclosures in the Net Zero transition, ERAFP was awarded best reporting for Asset Managers, KBC Group for Banks, Aviva for Insurance, while AXA Group took the jury’s prize.

Just over \$3trn of private capital assets under management is “committed” to ESG investing, says research provider Preqin. In its **new report** looking at ESG in alternatives, Preqin said assets managed by ESG-committed firms make up more than one-third of total private capital assets under management.